

December 14, 2015

Kevin Turner

On-Scene Coordinator

USEPA Emergency Response

8588 Rt. 148

Marion, IL 62959

RE: Monthly Progress Report No. 23 (November 2015)

Chemetco – Hartford, IL 62048

Dear Mr. Turner

This monthly progress report is submitted by Paradigm Minerals & Environmental Services to satisfy the requirements of the Consent Decree [Case 3:00-cv-00670-DRH-DGW Document 209 approved on 9/13/13](#) to provide U.S. EPA with a monthly progress report about the ongoing activities at the former Chemetco Site in Hartford, IL.

1. Actions Taken During the previous Month to Comply with Consent Decree
 - Processed and sold 6,021.327 MT of material in October to DJL Mining.
2. Summary of Data Received during the Reporting Period:
 - Storm water Outfall #5 data can be found on Illinois EPA Netdmr website.
 - Air monitoring data is available on the drop box link from Aton.
3. Work Plans and other Deliverables Submitted during the Reporting Period:
 - Air Monitoring work plan is under USEPA review.
4. Problems Encountered, Anticipated Problems and Planned Resolutions of Past or Anticipated Problems:
 - The refinery that is taking the material is having difficulties meeting its financial and contractual obligations. Therefore, DJL Mining, the buyer of the material, is seeking alternative refineries and end users so as to immediately increase volume and cash-flow.
 - Notwithstanding recent modifications to the separation equipment on site, additional modifications are required to achieve desired output and quality.
 - DJL Mining and others are meeting with potential new end users and exploring alternative sales and processing options. Obviously, all potential end users will be submitted for

approval and consideration before material is sold and/or shipped. Examples of presently available viable options for additional sales include but are not limited to:

- A. Invest more capital into Hartford plant and continue processing in USA; and/or
- B. Ship material overseas to approved end users, including certain Taiwan refineries.

5. Activities Planned for the Next Reporting Period:

- **Metallic Separation Plant-**

- A. DJL Mining, Elliott Stegin and Steve Zuber just returned from Taiwan meeting with multiple potential purchasers and end users. During this trip, the parties are finalizing remaining details for the proposed sale of the low grade Iron and Zinc Concentrates from the lake fines and stacker material. Appropriate documentation will be submitted to USEPA requesting approval to ship product to any one of the end users prior to shipment.
- B. Production and sales volumes are expected to be less until contracts, approvals and other necessary prerequisites are completed for additional sales and other end users to receive material.
- C. Market conditions continue to adversely affect demand and price of the material.

- **Zinc Bunker-** sales of product will slow until after the Chinese New Year and winter.

- **DIS Building**

- 1. Demolition of the DIS building is underway and work is being done as available time permits.

- **Fugitive Dust** - Nothing new to report. All systems in place with the existing process.

- **Waste Management-** Ongoing

6. Modifications to Approved Work Plans or Schedules:

- Operations will be scaled back due to the holidays, market conditions and to allow for new end users to be approved and the completion of DJL's cost benefit analysis. Operations are anticipated to pick up after the holidays and (after the new end users are approved and receiving material) be heavier than previously experienced at the site in the first quarter of 2016.

7. Summary off -site Shipments-

- 6,021.327 MT DJL Zinc Bunker Material in October.
- 1,780 Gallons of non-hazardous used oil sent to Future Environmental.
- 100 lbs of Hazardous Lab Pack sent to Heritage Thermal in East Liverpool, OH.

- As of 10/31/2015 the grand total of Slag and Zinc Bunker Material shipped to DJL Mining in 2015 is 52,493.850 metric tons

8. Health and Safety

- Preparing Annual Reports for IEPA.

If you have any questions regarding this progress report, please feel free to call me at (314) 409-7283

Regards,

Steve Zuber

Paradigm Minerals & Environmental Services

3754 Chemetco Lane

Hartford, IL 62048

Cell: (314) 409- 7283